

Written Testimony of Gary Stangler
Executive Director, Jim Casey Youth Opportunities Initiative

Before the Senate Committee on Finance
Hearing on Fostering Permanence:
Progress Achieved and Challenges Ahead for America's Child Welfare System
May 10, 2006

Good morning, Mr. Chairman, Senator Baucus, and members of the Committee. It is my great pleasure to be here today, especially as we celebrate National Foster Care Month this month.

The Jim Casey Youth Opportunities Initiative is a national foundation focused solely on helping communities assist older youth in foster care make successful transitions to adulthood. We have demonstration projects in both rural and urban areas in 10 states from Maine to Tennessee to Iowa to California. We focus on two key areas that we know will help these young adults thrive: providing opportunities to achieve economic success and helping them build permanent relationships in their lives.

As Congress considers reauthorizing the Promoting Safe and Stable Families program, perhaps the biggest challenge we face in America's child welfare system today is finding permanence for children who were placed in foster care due to parental abuse or neglect. And over the past 10 years, we have increasingly recognized the need for permanence for the older youth in the system.

What do we mean by permanence? To us in the field, it means a young person being in a family relationship – reunified safely with kin or living with legal guardians or adoptive parents, but certainly living in a relationship that has a strong sense of “forever” attached. The closest relationships many of these youth have are with social workers and attorneys. These are ephemeral, professional relationships and no substitute for a family.

Policy and practice in child welfare has evolved from “independent living” being the goal – often even a type of placement – to the integration of permanence with preparation for adulthood. That is how we treat our own children. We no longer accept that teens in foster care do not need permanent connections as they enter early adulthood. On the contrary, those of us who are parents intuitively know these two cannot be separated, that preparation for adulthood is inextricably linked to permanence.

I ask you to listen to the compelling words of 22-year-old Nadege Breeden. Nadege chairs our youth leadership board at our project in Bridgeport, Connecticut. Not long ago, she became the first adult adopted in Connecticut in years, and she recently submitted an op-ed for her local paper that included this passage: “What does permanency mean?

There's no all-purpose definition. For me, it meant feeling comfortable at home. I found that in my second foster home.

My foster mother never thought of me as just another kid in foster care. She never forced me to be anyone but me. But she enforced strict rules: Time limits on the phone. No sleepovers at friends' houses. Church every Friday and Sunday. Good grades. Nice attire. I hated it, but secretly, I loved it.

About a year ago, my mother asked how I would feel if she were to give me her last name? At first, I didn't understand. She told me she wanted to adopt me. I cried and cried. She asked me why I was crying, and I told her that for the first time somebody wanted me and loved me, just as I am."

Nadege is one of the very fortunate young people from foster care. Creating permanence for young people age 14 and older is possible, and critically necessary, but it is also very difficult. For older youth who will not be adopted or reunited with their parents, we are striving to create "relational permanence," a lifelong attachment, a relationship that is an emotional connection beyond a legal relationship. It's not group care, and it is not simply a mentor. It's a lifelong attachment we seek.

We have much to learn about how to achieve permanence, but we know that educational and economic success rest heavily on it -- and right now, youth in foster care have low high school graduation rates and little economic success. Only half of them finish high school. Only 20 percent who are qualified for college actually go on to postsecondary education. And only 5 percent of those in college finish their degrees. Low educational attainment guarantees poor economic success.

Educational attainment depends on permanence. Youth in foster care are bounced from placement to placement, and thus school to school, interrupting their educations. School records don't catch up. Grades get repeated. And there is rarely a family member to help keep things on track. Closeness to someone -- especially in a family -- including a foster family -- dramatically increases the likelihood of succeeding in school. With spotty education, economic success becomes a much steeper climb. Recent research at the Chapin Hall Center for Children at the University of Chicago indicates that if the state continues to take responsibility for young people past age 18, it doubles the chances of educational success.

A disturbing trend in America's child welfare system is the alarming racial disparities in foster care placements. In 46 states, the proportion of black children in foster care is more than two times the proportion of black children in the state's total number of children 18 or younger. The scenario is similar for Latino, Native American and Native Alaskan children -- too many are in the child welfare system, compared to their numbers in the general population. What does all that mean? It means more poor outcomes -- the same spotty educational and economic track records -- for children of color. The interruptions in schooling, for example, compound the poor outcomes.

Suffering from disrupted educations and bleak economic prospects, many older youth who “age out” of foster care when they turn 18 struggle to stay in school, find stable housing, support themselves financially and secure medical services. A study last year by the Chapin Hall Center for Children found that those who left foster care at the age of 18 were nearly three times more likely than a national sample of their peers to be disconnected from work or school. Very few kids in this country have finished high school by age 18. Yet our foster care system releases them even as we know it devastates their chance for a high school diploma.

So, how do we create permanence? Human nature responds to incentives. Systems, like people, respond best to incentives as well. And the best kind of incentive is financial. We need financial incentives to foster permanence – through adoption, legal guardianship, family members trying to take on that role, or other family-type arrangements that assure life-long connections. As you know, I was privileged to be a member of the Pew Commission on Children in Foster Care, and I strongly support our recommendations that:

- We need to continue post-adoption support, including family support and family strengthening services, and ensure they are available for guardians as well as for adoptive parents. Post-permanence support is perhaps the more correct term.
- We should provide federal subsidies to guardians of all children who leave foster care to live with a permanent legal guardian when a court has explicitly determined that neither reunification nor adoption is feasible.
- We also desperately need post-permanence services for relatives trying to provide the supports that would come from a family but are in situations where adoption or guardianship is not an option.
- We need to encourage innovative and entrepreneurial approaches among states to learning best practices. One approach, for example, is using the parent locator services of the child support enforcement system to identify youths’ other relatives. We need to reinstitute the waiver process and provide incentives to states that increase all forms of safe permanence.

In addition, Congress should support a number of policy measures:

- We need to extend federal support and incentives for foster care to age 21 in all states. We need to allow youth who have aged out at 18 to re-enter foster care when they realize that being on their own is harder than they thought it would be. The Chapin Hall study from the University of Chicago found that remaining in care after the age of 18 increased the likelihood that young adults would continue their education or be employed. I want to commend the leadership in Iowa – the legislature and the governor – for recent legislation expanding services and supports to youth leaving foster care up to their 21st birthday. We need all states to take this step.

- We need more aggressive and flexible support for post-secondary education because economic success depends on education. Emancipated youth have to support themselves financially and attend school. The states should ensure that the use of educational training vouchers supports part-time employment and part-time school attendance more strongly.
- We should sever the link between adoptive/guardian family incomes and eligibility for financial aid. One of our interns had to choose between her financial aid package for college and having a family, since her adopted family's income would be factored in. In the end, she decided it was more important to have a father to walk her down the aisle than to be able to afford college. Mary Lee told her story last spring here on Capitol Hill, and Senators Landrieu and Coleman introduced the Foster Adoption to Further Student Achievement Act last summer, which wouldn't force kids to choose between having a family and getting financial aid. The bill is still in committee.
- We need incentives for states to extend access to health care – including mental health and substance abuse services – for these young people. So far, only 12 states have taken the option under the Chafee Act to extend Medicaid benefits for former foster youth older than 18. They are Connecticut, California, Arizona, Texas, Kansas, South Carolina, Mississippi, New Jersey, South Dakota, Wyoming, Oklahoma, and Iowa. We need many more states to provide this basic care for young adults who aged out of foster care.
- We need better data about what states are doing with their independent living dollars through the Chafee Program, which was established under the Foster Care Independence Act of 1999. Establishing and finalizing the Act's mandatory data collection and performance assessment requirements for states under the Chafee Program should be a priority of the administration and the Department of Health and Human Services.
- Congress should enact authorization for matched savings accounts, or Individual Development Accounts, for youth transitioning from foster care that would include assets such as a car, which is essential to get to school or work in most places in this country. Particularly in rural areas, there is no alternative to a car to get work or school. One young man in our rural Northern Michigan site recently used his matched savings account to buy a pickup truck because he got a job in the construction trades.
- We should guard against unintended consequences of successful permanence. Some young people may be ineligible for services under the Chafee Act, if they are placed with family members or adopted.

Today, there's evidence that parents are supporting the economic success of their offspring all the way into their thirties. A recent *New York Times* story said that nationally one-third of those between 18 and 34 receive cash from their parents. The story, headlined "The Bank of Mom and Dad," told how more and more parents are subsidizing their college-educated and employed offspring, sometimes to the tune of thousands of dollars a year. We do this for our own kids, and we need to establish that kind of life-long permanence. Considering our job done with an 18-year-old who has not graduated from high school should be unthinkable.

When I directed Missouri's Department of Social Services, all too often we focused exclusively on finding a safe placement for a child in foster care. The priority was on making sure children were clothed, housed, and fed in a safe environment. But that approach didn't prepare young people to be on their own once they had to leave the child welfare system. It also has led to over-use of congregate, institutional care. The Urban Institute notes that half of the cost of out-of-home care was group, the most expensive type of placement. This lack of permanence takes a toll on both budgets and human beings.

To date in our Jim Casey Youth Opportunity Initiative sites, our communities have worked with 1,500 young people, ages 16 to 23, who have or will transition from foster care. We have several key components we believe will provide opportunities for both economic success and permanence for these young people.

First, with our Opportunity Passport™, we train these young people in financial literacy: money matters, such as how to budget, how to balance a checkbook, how to use credit wisely. We encourage saving by matching their savings one-to-one in an Individual Development Account, or IDA, that they can use to buy assets, such as homes, college educations, cars to get to work and school, or to start a business. Some kids struggle to save \$10 a month, while others have started businesses or continued in school with their assets. Again, the idea of financial incentives – in this case, the match – keeps some kids putting away money in their IDAs.

To date, our young people have saved nearly \$860,000 and have bought 410 assets. Last year, two of our young women in Atlanta – Anita Alston and Katrina Lawson – used their IDAs to buy their own first homes. In Bangor, Maine, 20-year-old Brian Morrison saved \$1,000, got a \$1,000 match and invested that \$2,000 in a 12-month CD to build a nest egg for himself once he graduates next month from Eastern Maine Community College. We know from our work that the young people who have permanence in their lives are better at saving in their IDAs.

Another key component of our Opportunity Passport™ is what we call Door Openers – individuals, businesses and community organizations that provide opportunities to young people from foster care. Most of us sitting in this room had someone who opened a door or two for them, growing up. Maybe it was a first job or help getting into college or an entrée into politics. Most young people from foster care simply don't have that. Our Door

Openers provide mentoring, employment, internships, housing, even discounted driving classes or clothing vouchers. The idea is that Door Openers from the community will create that permanent support network. Most young people from foster care are never exposed to the wider world of work outside of social workers. All young people need connections: connections to families, coaches, teachers, mentors, and peers. Such Door Opener connections helped turn around the life of a 20-year-old mother of three in Nashville. She got a job at Asurion, a cell phone insurer, complete with an on-the-job mentor and health insurance. She saved for a car through her matched IDA, and today has transportation for herself and her children.

In Des Moines, Mikelle Wortman also has benefited greatly from one such Door Opener. She went into an independent living program at 16, meaning she lived on her own in supervised apartment. While in high school, she worked three jobs – hotel front desk clerk, a city EMT and a certified nursing assistant at a hospital. Mikelle remembers what that was like: “The worst part was not having a family, not having someone to turn to and say, ‘I love you.’ I worked very hard, and I felt like I was making it and doing OK. But I was still very lonely.” When she was a high school senior, our grantee in Des Moines introduced her to a retired local businessman who wanted to help youth who lacked family support. He did many of the little things a parent would do – such as lending her his car when hers was in the shop, getting her a new cell phone when her budget was too tight, driving two hours to have dinner with her at University of Iowa. As Mikelle puts it: “Uncle Roger has always been there for me. I don’t think I would have been able to keep going without him.” Today, Mikelle is 18 and hopes to complete a paramedic training course next month. “If you have a mentor, it makes a world of difference,” she says.

A cornerstone of the work of the Jim Casey Youth Opportunities Initiative is youth engagement and youth leadership. All 10 of our projects have youth leadership boards. These have proven to be remarkable and invaluable sources of connections, peer support, and leadership development. Congress recognized the importance of listening to your customers when enacting the Chafee legislation. All states were required to involve youth in the planning. Some states did better than others. That wisdom is paying off more than anyone anticipated.

Kids like Mikelle in Des Moines and Nadege from Bridgeport, whom I told you about earlier, display something that I’ve often seen in my years in the child welfare field: a remarkable spirit of resiliency.

In her op-ed for the local paper, Nadege also wrote: “Family means so much to me. It feels good to have a home, a mother and love to call my own. I just don’t know how I made it through the first 14 years of my life without her. If you have a home and a heart to give a child permanency, please do so.”

The drive – the need – for family is hard-wired in these kids. They show it in every setting and in every way. Resilience is amazing. Resilience based on stability and permanence in their lives is priceless.

Thank you very much for this opportunity to address the committee.

This concludes my testimony, and I welcome your questions.